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October 9, 2013

Keith Wallace, Project Manager
California Department of Water Resources
Division of Integrated Regional Water Management
Financial Assistance Branch
PO Box 942836
Sacramento, CA 94236

VIA EMAIL: keith.wallace@water.ca.gov

Re: Draft Funding Recommendations for the Proposition 84 Round 2 Implementation Grant Program

Dear Mr. Wallace,

The Rincon del Diablo Municipal Water District (Rincon) delivers potable and recycled water to a population of 30,000 through nearly 8,000 connections representing residential, agricultural, landscape, and commercial/industrial water users within the North San Diego County communities of the City of Escondido, City of San Marcos, and unincorporated areas of San Diego County. This letter serves to express Rincon's serious concerns regarding the Proposition 84 Round 2 Draft award amount for the San Diego funding area. As it stands now, the award allocation would be cut almost 50%.

As you may be aware, Rincon, along with several other representatives from a broad range of water and wastewater management agencies and NGO/DAC organizations, actively participate in the San Diego Integrated Water Resources Management Program. This diverse group assisted in the completion of San Diego's Integrated Regional Water Management Plan and collaboratively worked together to prioritize water resource projects that are vitally important to the region and State. A great deal of time and financial resources have been expended in the evaluation of projects and the development of the associated funding application. Great care is taken to understand DWR's objectives and to comply with the requirements of DWR's solicitations. Based upon this fact, it is extremely disconcerting that the proposed Draft award for the San Diego funding area is half of the stated allocation for Round 2, when other funding areas were allocated 200% of their stated amounts, contrary to DWR's PSP and Proposition 84 funding.

Rincon requests that the DWR revisit and rescore the San Diego Funding Area Application, and revise the Draft award amount to 100% of the requested funding based on the following facts:

1. San Diego's Proposition 84-Round 2 Grant Proposal was responsive to DWR's solicitation and contained sufficient detail and thoughtful analysis of the benefits that would accrue from the funding. This application whittled the projects from an original 36 to what was presented, through a very detailed selection process and regionally-coordinated meetings. The grant proposal was unanimously supported by San Diego's 34-member Regional Advisory Committee (RAC).

2. DWR reviewers clearly misunderstood aspects of certain projects (specifically the North San Diego County Regional Recycled Water Project), which dramatically impacted the scoring for the overall application. Critical incorrect assumptions were made by the DWR reviewers that could have easily been avoided by a more thorough review of the application (for instance, that the wastewater plants already produce the tertiary treated water that will be distributed through several of these proposed projects). San Diego's grant proposal was 316 pages long, chock full of details and supporting documentation validating the significant benefits these projects have for the region and State. A reduction in San Diego's grant funding will mean that high priority projects will either be shelved or terminated all together.

In addition, we feel that DWR should reconsider the approach used by DWR staff to review and understand grant applications before publishing draft findings and award amounts. Understanding the sizable amount of information DWR staff must review in this grant process illustrates the importance that appropriate time and resources be applied. DWR needs to allow adequate time so proposers may respond to any DWR staff questions or clarifications, since it was apparent that many of the questions/comments raised on the San Diego grant proposal by the DWR reviewers are actually answered in the original application. If needed, DWR reviewers should reach out to the applicants for assistance to improve their understanding of the proposed projects. Also, allowing only 10 days for applicants to provide comments/rebuttals on the draft award decision is disingenuous, given the review process is approximately 6 months long. In this case, a lack of understanding of these important water resource projects has resulted in an inappropriate score and a proposed 50% cut in allocation to the San Diego funding area.

Please revisit and rescore the San Diego Funding Area application and provide the 100% funding it deserves. We appreciate your consideration on this matter.

Regards,



Greg Thomas
General Manager

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Assemblyman Brian Maienschein, via fax, 916-319-2177
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Assemblywoman Shirley Weber, via fax, 916-319-2179
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